

July 21, 2016



# FIBRA Prologis Announces Second Quarter 2016 Earnings Results

MEXICO CITY, July 21, 2016 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), the leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the second quarter of 2016.

## HIGHLIGHTS FROM THE QUARTER:

- Net effective rents on rollover increased 11.8 percent
- Operating portfolio occupancy ended at 96.4 percent
- Acquired US\$51.7 million of Class-A buildings from sponsor Prologis

Funds from operations (FFO) per CBF1 was Ps. 0.6919 (US\$0.0404) for the second quarter compared with Ps. 0.1096 (US\$0.0070) for the same period in 2015, which includes a one-time adjustment of Ps. 0.5851 (US\$0.0374) per CBF1 for the realized exchange loss from the reimbursement of the value-added tax paid in connection with the acquisition of the initial portfolio.

Net earnings per CBF1 in the second quarter was Ps. 0.5999 (US\$0.0353) compared with Ps. 0.9279 (US\$0.0593) for the same period in 2015.

## STRONG OPERATING PERFORMANCE CONTINUES

"I am very pleased with our performance in the quarter. The team continues to produce strong financial and operating results," said Luis Gutierrez, CEO, Prologis Property Mexico. "The operating environment remains healthy in our markets, with demand for Class-A facilities significantly outpacing existing supply."

Operating Portfolio	2Q16	2Q15	Notes
Period End Occupancy	96.4%	96.0%	7 consecutive quarters with occupancy above 96%
Leases Signed	2.1 MSF	1.4 MSF	Record leasing volume of 1.3 MSF in Regional Markets for two consecutive quarters
Customer Retention	87.0%	98.0%	
Net Effective Rent Change	11.8%	9.5%	Strong rent change across all markets, with most markets above 10%
Cash Same Store NOI	1.1%	4.7%	Cash same store NOI for 2Q16 grew 3.1% in constant dollars
Same Store NOI	-0.9%	N/A	

## CAPITAL DEPLOYMENT HIGHLIGHTED BY ACCRETIVE ACQUISITIONS

US\$ in millions	2Q16	Notes
Building Acquisitions	US\$51.7	Class-A buildings recently developed by sponsor Prologis

Building GLA	750,000 SF	
Occupancy	97.8%	
Weighted avg. stabilized cap rate	7.3%	
Development Stabilizations	US\$2.1	Expansion building in Reynosa
Stabilized GLA	37,500 SF	
Occupancy	100%	
Weighted avg. stabilized yield	9.6%	
Building Disposition	US\$1.7	Highly specialized Class-B building sold to an end user in Monterrey
Building GLA	46,700 SF	
Occupancy	0%	
Weighted avg. stabilized cap rate	9.0%	

"Our acquisitions are consistent with our investment strategy, which includes a focus on high-quality assets in the deepest and most dynamic markets," Gutierrez added. "Our exclusive access to the Prologis development pipeline provides a unique competitive advantage that allows us to acquire state-of-the-art logistics facilities that strategically complement our portfolio."

## FINANCIAL POSITION SUPPORTS GROWTH

As of June 30, 2016, FIBRA Prologis' liquidity was Ps. 7.4 billion (US\$398.2 million), which included Ps. 7.1 billion (US\$380 million) of available capacity on its unsecured credit facility and Ps. 338.5 million (US\$ 18.2 million) of unrestricted cash.

Net debt as a percentage of investment properties was 30.7 percent, fixed charge coverage was 4.24x and net debt to adjusted EBITDA was 4.76x.

## GUIDANCE CONFIRMED

(US\$ in million, except per CBF1 amounts)	Low	High	Notes
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FFO per CBF1	US\$0.1650	US\$0.1800	Excludes the impact of foreign exchange movements
Full Year 2016 Distributions per CBF1	US\$0.1100	US\$0.1100	
Year End Occupancy	95.5%	96.5%	
Same Store NOI (Cash)	2.0%	3.0%	Based on U.S. dollar functional currency
Annual Capital Expenditures as % of NOI	14.0%	16.0%	
Building Acquisitions	US\$100.0	US\$150.0	
Asset Management and Professional Fees	US\$18.0	US\$20.0	

## WEBCAST & CONFERENCE CALL INFORMATION

FIBRA Prologis will host a live webcast/conference call to discuss quarterly results, current market conditions and future outlook. Here are the event details:

- Friday, July 22, 2016, at 9 a.m. CT/10 a.m. ET
- Live webcast at [www.fibraprologis.com](http://www.fibraprologis.com) by clicking Events
- Dial in: +1 877 256 7020 or +1 973 409 9692 and enter Passcode 34484434.

A telephonic replay will be available July 22–July 29 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 34484434. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

## ABOUT FIBRA PROLOGIS

FIBRA Prologis is the leading owner and operator of Class-A industrial real estate in Mexico. As of June 30, 2016, FIBRA Prologis was comprised of 190 logistics and manufacturing facilities in six industrial markets in Mexico totaling 33.3 million square feet (3.1 million square meters) of gross leasable area.

## FORWARD-LOOKING STATEMENTS

The statements in this release that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which FIBRA Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact FIBRA Prologis financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, acquisition activity, development activity, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially

from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("FIBRA") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments (viii) environmental uncertainties, including risks of natural disasters, and (ix) those additional factors discussed in reports filed with the "Comisión Nacional Bancaria y de Valores" and the Mexican Stock Exchange by FIBRA Prologis under the heading "Risk Factors." FIBRA Prologis undertakes no duty to update any forward-looking statements appearing in this release.

Non-Solicitation - Any securities discussed herein or in the accompanying presentations, if any, have not been registered under the Securities Act of 1933 or the securities laws of any state and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Securities Act and any applicable state securities laws. Any such announcement does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein or in the presentations, if and as applicable.



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